

Message Text

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ORIGIN XMB-04

INFO OCT-01 AF-06 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03 SP-02

CIEP-01 OMB-01 /046 R

DRAFTED BY XMB:JWLENTZ

APPROVED BY EB/IFD/ODF:RASWART

XMB:CNORRIS

XMB:DOBEIM

AF/S:DPCHRISTENSEN

XMB:WGLICK

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R 220241Z JAN 76

FM SECSTATE WASHDC

TO AMEMBASSY PRETORIA

AMCONSUL CAPE TOWN

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FOR EMBASSY CAPE TOWN

E.O. 11652: NA

TAGS: EGEN

SUBJ: SASOL II COAL-TO-OIL PROJECT

1. EXIMBANK HAS RECEIVED A PRELIMINARY COMMITMENT APPLICATION FROM FLUOR CORPORATION DATED NOVEMBER 14, 1975, COVERING FINANCING ASSISTANCE FOR SASOL II PROJECT. TOTAL COSTS ESTIMATED AT \$3.0 BILLION OF WHICH U.S. PORTION COULD RANGE BETWEEN \$100.0 MILLION AND \$1.0 BILLION. APPLICATION REQUESTS COVERAGE FOR \$0.5 BILLION OF U.S. COSTS, WHICH AMOUNT COULD BE EXCEEDED WHEN ORDERS ACTUALLY PLACED.

2. BY LETTER DATED NOVEMBER 21, 1975, EXIMBANK REQUESTED SUPPLEMENTARY FINANCIAL AND TECHNICAL DATA TO ASSIST IN EVALUATION THIS

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MENTARY FINANCIAL AND TECHNICAL DATA TO ASSIST IN EVALUATION THIS

LARGE UNDERTAKING. FOLLOWING A VISIT TO SOUTH AFRICA, DAVID COPLEY, FLUOR'S MANAGER FOR PROJECT FINANCING SUPPLIED TECHNICAL INFORMATION REQUESTED, BUT INFORMED EXIMBANK THAT PROJECTED BALANCE SHEETS, PROFIT AND LOSS STATEMENTS, CASH FLOW STATEMENTS ARE OF A QUOTE STRATEGIC NATURE END QUOTE AND THAT THEIR RELEASE HAD NOT BEEN AUTHORIZED BY SAG. GIVEN THE MAGNITUDE OF THE TRANSACTION AND THE LONG TERMS REQUESTED (20 YEARS INCLUDING A 5 YEAR GRACE PERIOD), EXIMBANK FINDS THIS ATTITUDE UNUSUAL AND IN SHARP CONTRAST WITH SASOL'S WILLINGNESS TO FURNISH TECHNICAL DATA.

3. EXIMBANK REQUESTS THAT EMBASSY APPROACH SAG TO DETERMINE IF THIS BASIC FINANCIAL INFORMATION CAN BE RELEASED. IF DATA CONTINUES TO BE WITHHELD IT IS DOUBTFUL WHETHER BANK CAN JUSTIFY ANY FINANCING ASSISTANCE FOR PROJECT. SISCO

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COAL, PETROLEUM, CLASSIFIED INFORMATION, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 22 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE015572
Document Source: CORE
Document Unique ID: 00
Drafter: JWLENTZ
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760023-0915
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760131/aaaabazx.tel
Line Count: 75
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 01 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 JUL 2004 by ShawDG>; APPROVED <02 JUL 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SASOL II COAL-TO-OIL PROJECT
TAGS: EGEN, SF
To: PRETORIA CAPE TOWN
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006